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NEW PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

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U.S. Agricultural Exports by Country of Origin, Fiscal Year 1960 With Comparsions. Foreign Agriculture Circular FATP 26-60. 18 pp.

July 1 Grain Stocks Set New Recrod. Foreign Agriculture Circular FG 5-60. 4 pp.

World Breadgrain Production Second Largest of Record. Foreign Agriculture Circular FG 4-60.

Food Balances in Foreign Countries: Part 1--Estimates for 16 Countries of Western Europe. FAS-M-100. 18 pp.

Meat Consumption Per Person in Specified Countries, 1959. Foreign Agriculture Circular FLM 12-60. 4 pp.

U.S. Dry Pea Exports Set New Record. Foreign Agriculture Circular FDP 8-60. 2 pp.

CIGARETTE CONSUMPTION RISES FURTHER IN WEST GERMANY

During the first 6 months of 1960, West German cigarette consumption totaled 34.3 billion pieces--up 9 percent from the 31.5 billion smoked in the January-June period of 1959. Sales of all other tobacco products, however, declined. Filter-tips accounted for about 69 percent of all cigarettes sold in August 1960, compared with about 61 percent in August 1959.

RHODESIA-NYASALAND FEDERATION'S EXPORTS OF FIRE-CURED TOBACCO UP

Exports of fire-cured tobacco from the Federation of Rhodesia and Nyasaland totaled 8.3 million pounds in the January-June period of 1960. This was 17 percent above the first half of 1959.

The Federation is the world's second-largest exporter of fire-cured leaf, ranking next to the United States. In 1959, it exported 20 million pounds of fire-cured tobacco, compared with the U.S. total of 22.5 million.

Major export outlets during the first half of 1960 included the United Kingdom, 2.4 million pounds; the Netherlands, 1.3 million; Sierra Leone, 0.9 million and Canary Islands, 0.9 million pounds.

U.K. CIGARETTE EXPORTS CONTINUE DOWNWARD

Cigarette exports from the United Kingdom during the first 6 months of 1960 totaled 14.4 million pounds--down 6.5 percent from January-June 1959. Commonwealth countries took 69 percent of the 6-month exports this year, compared with 74 percent a year earlier.

All of the drop this year was accounted for by decreased exports to Commonwealth countries, with the most significant declines in trade with Singapore and the Federation of Malaya. But these 2 destinations remained by far the most important outlets for British cigarettes. Other principal markets in 1960, as in the previous year, included Aden, Hong Kong, Cyprus, France, West Germany, the Sudan, and Arabian States.

The gradual decline in British cigarette exports during the past several years has enabled the United States to take first position as a cigarette exporter. U.S. cigarette exports in January-June 1960 were about 22 million pounds--50 percent larger than British exports for the corresponding period.

CIGARETTES: United Kingdom, exports by country of destination, January-June 1958-1960

Destination	January-June 1958	January-June 1959	January-June 1960
	1,000 pounds	1,000 pounds	1,000 pounds
Commonwealth:			
Singapore	4,124	3,088	2,119
Malaya (Federation of)	4,022	3,285	2,109
Aden	963	856	1,150
Hong Kong	880	824	811
Cyprus	506	447	609
Other	3,286	2,781	3,073
Non-Commonwealth:			
France	590	615	704
Sudan	644	698	686
Germany, West	886	814	644
Arabian States	736	418	439
Libya	131	172	239
Spanish West Africa	53	25	204
Belgium	91	109	171
Other	1,273	1,218	1,401
Total	18,185	15,350	14,359

Tobacco Intellignece, Commonwealth Economic Committee.

WORLD WHEAT TRADE EXPECTED TO RISE IN 1960-61

Prospects indicate substantially greater world trade in wheat in 1960-61 than in 1959-60. It is estimated that the total volume of wheat and flour moving in world trade will exceed the previous season by some 75 million bushels. The 1959-60 total has been preliminarily estimated at about 1,321 million bushels.

The primary basis for the expected rise is the higher import requirements of Western Europe and Asia. Crop conditions in many European countries were less favorable than the previous season, especially during harvesting. Production was much lower in Spain and Italy and somewhat reduced in France. Although larger crops were harvested in some parts of Asia, the usual large import requirements continued in India and Pakistan.

Smaller crops were harvested throughout southern Europe. Production was generally higher in northern Europe, but untimely rainfall during harvest lowered the quality. This has resulted in some crop losses, and considerable quantities are suitable only for livestock feeding. As a result, the total import requirements for western Europe as a whole will be much higher this season. There may be an especially brisk demand for imported hard wheat needed to blend with domestic soft wheat for bread flour.

Exportable supplies are generally higher than a year ago among the traditional exporting countries. Availabilities are higher in the United States, Canada, and Australia. The supply position of Argentina and the Soviet Union indicates that these countries may export about the same quantities. France will have less available for export. Some exporting countries, such as Spain and Italy will be on a net import basis this season. Lower exportable supplies exist in many minor exporting countries. Together with increased world demand this indicates that an unprecedented level of exports may be attained by the United States, Canada, and Australia in 1960-61.

PORTUGAL CONTINUES TO
CALL FOR IMPORTED WHEAT

The Government of Portugal on October 18 called for bids to cover imports of about 46,000 long tons of wheat. Purchases are to be made by Portugal's National Millers Federation. The current call includes 12,000 tons from France, 24,000 tons for barter against Portuguese products, and 10,000 tons for macaroni making.

Previous purchases of foreign wheat this year totaled 42,000 tons, including 10,000 tons of durum wheat from Argentina; 20,000 tons of No. 2 hard red winter from the United States; 7,500 tons of Type 431 from the Soviet Union purchased for delivery to Madeira (3,000 tons) and the Azores (4,500 tons) against Portuguese merchandise; and 4,500 tons of No. 2 hard red winter from the United States for delivery to Funchal.

The main reason for Portugal's substantial wheat import needs this year is the very short 1960 crop--434,900 metric tons compared with 523,200 in 1959 and 815,400 tons in 1958--and very low July 1, 1960 stocks. Estimates of 1960-61 (July-June) import requirements range from 200,000 to 250,000 metric tons compared with only 11,800 tons in 1959-60. Currently, imports are primarily durum and hard wheats for macaroni production and for mixing with the soft Portuguese wheats of the past summer's Portuguese harvest.

The basic support price paid to farmers by the National Wheat Producers Federation for home-grown wheat continues at an average of 3 escudos per kilogram ($2.84 per bushel) with variations according to a fixed scale based on quality differences.

THE NETHERLANDS RAISES IMPORT
MONOPOLY FEE ON BARLEY

The Netherlands Commodity Board for Grains on September 28 increased the import monopoly levy on barley from 7 to 8 guiders per 100 kilos (40.4 cents to 46.2 cents per bushel).

The levy was increased because French barley was being offered at prices more than 7 guiders below the minimum import barley price--25.50 guiders per 100 kilos ($1.47 per bushel)--which is fixed annually as a basis for determining the amount of the levy necessary in order to equalize the price of imported barley (c.i.f. Dutch port of entry) with the higher Netherlands' Government support price for that grain.

To assure Dutch farmers a profit on their sales of rye, oats and barley, and especially to prevent feed mills and livestock industries from importing all of their feed grain requirements, a flexible monopoly fee has been imposed for several years on Dutch imports of all feed grains.

The Government each year fixes a floor price f.o.b. merchant's warehouse for home-grown rye, oats, and barley. This price must be paid to farmers for average quality grain with 17 percent moisture content for rye and barley and 15 percent for oats. The support prices for 1960 grains in guiders per 100 kilos with dollar per bushel equivalents, shown in parentheses, follow: rye, 27.70 guiders ($1.86); oats, 25.75 guiders ($0.99); and barley, 27.00 guiders ($1.56).

The import monopoly tax or equalization fee is increased or reduced from time to time in accordance with variations in the world market price c.i.f. Dutch port of entry. A minimum c.i.f. import price is fixed for each feed grain (rye, oats, barley, corn, grain sorghums, millet and feed wheat) as a basis for determining the amount of the levy. The latter is changed from time to time in accordance with variations in the actual c.i.f. import price from the higher fixed basic import price. Equivalent rebates are paid to exporters on reexports of feed grains or on exports of products made from such grains.

Dutch barley imports in 1959-60 totaled 454,364 metric tons, of which 352,176 tons came from the United States. The 1958-59 total was 511,221 tons of which 448,133 tons came from the United States.

SUDAN GRAIN SORGHUMS
EXPORTS AT LOW LEVEL

As a result of government encouragement to increase acreage, and excellent growing weather for grain sorghums, the farmers of the Sudan produced a record sorghums crop of about 1.5 million metric tons (59.1 million bushels) during 1959-60, but, owing mainly to high export prices, only a small portion of the 1959-60 exportable surplus has exported.

The quantity of 1959-60 crop Sudanese sorghums available for export originally was estimated at about 400,000 tons (15.7 million bushels). Information as to the total exported during that year is not yet available, but during the first 9 months only 39,600 tons (1.6 million bushels) had been shipped. Total exports during earlier years were: 1958-59-57,598 tons (2.3 million bushels); 1957-58-27,445 tons (1.1 million bushels), and 1956-57-48,914 tons (1.9 million bushels).

Under existing feed grain prices in world export markets, Sudanese sorghums could, in those markets, compete with the feed grains produced in other exporting countries only at prices no higher than about Sudanese £12 per ton (87.5 cents per bushel), f.o.b. Port Sudan (on the Red Sea). However, this is below the total cost of producing and cleaning the grain and transporting it to the port.

Other conditions which increase the difficulty of exporting grain sorghums from the Sudan are inadequate rail transportation to Port Sudan, and very limited storage facilities. The single track railroad from Khartoum to Port Sudan is usually overburdened with commodities classified as more essential, and storage facilities consist only of a small number of underground pits and government-built warehouses.

The Sudan's exportable surplus of sorghums from the 1959-60 crop was reduced considerably by wastage of grain which remained unharvested owing to scarcity of labor, and by insect and weather spoilage of harvested grain. Uneconomical production was especially serious in the mechanized areas in Gedaref and in a new sorghums growing region between Dali and Mazmoun in the Blue Nile Province.

AUSTRALIA'S WHEAT EXPORT SUBSIDY COST EXPECTED TO INCREASE 1/

The currently expected costs to the Australian Government of subsidizing wheat exports apply to wheat exported from the 1959-60 and 1960-61 crops and are payable out of Commonwealth funds after the end of the stated marketing seasons (November-December). The latest estimates are that the government will be called upon to provide £6.2 million ($14.0 million) for exports from the 1959-60 crop, and £12.0 million for exports from the 1960-61 crop.

THAILAND'S RUBBER REPLANTING ACT BECOMES EFFECTIVE

Legislation to promote to replanting of rubber trees in Thailand (see Foreign Crops and Markets, July 25, 1960) went into effect August 25, 1960. The act places a tax on rubber exports to build a fund to be used to encourage replacement of old trees.

1/ This is a clarification of an item of similar title published in Foreign Crops and Markets of September 26, 1960.

In Thailand rubber growing is profitable when the export price is 10 baht (about 50 cents) or more per kilo. The tax is based on this 10 baht cut-off price.

The fund tax will be administered by a board in the Office of Rubber Plantation Aid Funds. Those eligible for use of the funds will be owners of plantations with trees over 25 years old, in poor condition, or low yielding.

While the tax is levied on the exporter for the benefit of the planter, the probability is that it will be passed on to the grower. That is, the exporter will take the tax into account in the price he pays the grower.

FRENCH FLAX PRODUCTION UP IN 1960

Flax fiber production in France is now forecast at nearly 70 million pounds in 1960, the largest crop of the last 3 years. Production fell from 78 million pounds in 1957 to 59 million in 1958 and 53 million in 1959. The yield per acre was above average at 687 pounds, but not as high as the 1959 yield of 749.4 pounds which was the peak peacetime yield since 1934.

Imports of flax, mostly tow and waste, are expected to be about 11 million pounds in the July-June year 1960-61, compared with 54.8 million in 1959-60 when production was exceptionally small, and 31.4 million in 1958-59. Belgium supplied 63 percent and the Soviet Union 29 percent in 1959-60.

France exports flax, mostly in raw or retted form. Exports are forecast at the equivalent of about 41 million pounds of scutched fiber in 1960-61, compared with well over 43 million in 1959-60 and 39 million in 1958-59. In 1959-60, all the exported raw or retted fiber and two-thirds of the scutched tow and waste went to Belgium.

COLOMBIA'S COFFEE EXPORTS LOWER

Colombia exported 5,671,171 bags (60 kilos) of coffee during the 1959-60 marketing year (October-September). This was a 12 percent decline from the 6,447,276 bags exported during the 1958-59 season. Colombia 1959-60 exports were 297,829 bags short of its quota of 5,959,000 under the International Coffee Agreement. Reportedly some coffee shipments were delayed beyond the end of the quota year because of congestion in the port of Buenaventura and in the interior. The largest export month of the 1959-60 year was September when 823,360 bags were shipped.

KENYA ESTABLISHES TEA
DEVELOPMENT AUTHORITY

Kenya has established a Local Land Development Board to be known as the Special Crops Development Authority. This is an interim body for continuing and expanding the development of tea growing in Africa areas. Its main task will be to lay the basis for the Permanent Tea Development Authority for which provision has been made in the Agricultural (Amendment) Bill, 1960. The Permanent Authority is expected to be established early in 1961.

Negotiations are being made to obtain substantial financial assistance for the Special Crops Development Authority from outside sources. The Kenya Government expects to announce the details of the project before the end of 1960.

AUSTRALIA HAS SEVERE
DROUGHT IN CATTLE COUNTRY

A 400-mile trip of the Queenland coastal area was recently declared drought-stricken and conditions are considered disastrous. Dryness began in mid-August. Official reports say the state suffered the driest and coldest winter since 1951. There have been severe brush fires, particularly in the central highlands, and a high fire risk prevails throughout the entire states. Parts of northern New South Wales are also affected.

There has been considerable hand feeding of both sheep and cattle, and the government has made extended efforts to remove starving stock from the area and move thousands of tons of fodder to areas urgently needing it. Fifty-percent rebates on railway freight are now being given for the movement of stock and fodder in these declared drought areas. Hundreds of lambs have already died; cattle herds are similarly threatened, and pastures must receive rain in the immediate future to avert deaths.

Queensland, the primary meat exporting area of Australia, is near the end of its present beef slaughtering season and this drought could cause abnormally high slaughter rates during the last part of it. This would probably result in greater boneless beef shipments to the United States during the last 2 months of this year. However, later affects may be a reduction in the beef producing capacity as breeding programs will probably be disrupted.

The drought-forced sheep and lamb slaughter is not expected to significantly affect lamb or mutton exports to the United States. The drought area produces only a small part of Australia's sheep and lambs.

Increased cattle slaughter would also affect the present cattle hide and tallow situation in Australia. During the 12-month period ending June 30, 1960, Australian cattle slaughter was about 15 percent below a year earlier; this has caused localized tallow and cattle hide shortages, particularly of certain high qualities, and import demand has increased in some areas. Some types and qualities of hides are imported regularly, but these shortage conditions have caused demand for these types to exceed that of recent years (see Foreign Crops and Markets, Sept. 26, 1960).

Termination of import licensing controls, which was made in February 1960, has also increased imports. Larger imports of these products would be expected to replace some of those normally used from domestic production and increase the available export supply in the last quarter of 1960.

The greater slaughter will probably further increase the export supplies of cattle hides for the last quarter of 1960. Most of the hides from this increased slaughter will be of the lower qualities, which constitute the bulk of Australia's exports. But the drought forced slaughter will probably only increase tallow supplies slightly because of the leaner condition of the cattle slaughtered.

Thus Australia may give greater competition to U.S. cattle hide exporters in the Japanese and other Asian markets, but only slightly if any more, competition to tallow exporters in these markets.

NEW ZEALAND'S MUTTON EXPORTS EXPECTED TO DROP

A substantial decline in New Zealand's mutton production is expected in the 1960-61 season which began October 1. Official New Zealand estimates are for about 133 million pounds to be exported this season, compared with about 168 million pounds last season and 180 million pounds in 1958-59.

Sheep producers in the South Island have been forced by dry conditions to kill relatively high percentages of their ewes over the past 2 seasons. This caused comparatively greater export supplies during these years. This factor alone will cause lower mutton exports to the United States in 1961 than in 1960.

U.S. EXPORTS OF LIVESTOCK PRODUCTS

U.S. exports of livestock products continued exceptionally large in August. January-August exports of most principal items were substantially above a year earlier--lard, 18 percent; inedible tallows and greases, 32 percent; variety meats, 31 percent; and cattle hides, 51 percent. However, 8-month exports of carcass meat products were 2 percent less than a year earlier, chiefly because of a sharp drop in shipments of cured hams to Cuba in July and August.

LIVESTOCK PRODUCTS: U.S. exports of selected items, August 1959 and 1960 and January-August 1959 and 1960, with percentage change

(Product weight basis)

Commodity	August 1959	August 1960	Percent change	January-August 1959	January-August 1960	Percent change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Lard	39,535	51,186	+29	371,731	437,394	+18
Inedible tallow & greases 1/	119,110	124,421	+4	890,350	1,177,772	+32
Edible tallow & greases 2/	1,451	1,048	-28	12,562	14,041	+12
Meat:						
Beef and veal	2,191	2,596	+18	15,607	18,062	+16
Pork	6,825	4,279	-37	44,854	42,087	-6
Lamb and mutton	30	154	+413	595	936	+57
Sausage:						
Except canned	199	153	-23	1,488	1,646	+11
Canned	86	70	-19	803	712	-11
Baby food, canned	153	199	+30	1,201	1,615	+34
Other canned meats	418	118	-72	2,917	1,176	-60
Total red meat	9,902	7,569	-24	67,465	66,234	-2
Variety meats	8,319	10,726	+29	56,991	74,892	+31
Sausage casings:						
Hog	1,002	908	-9	6,991	6,027	-14
Other natural	595	586	-2	4,228	3,851	-9
Mohair	795	194	-76	10,917	8,397	-23
Hides & skins (1,000 pieces)						
Cattle	282	586	+108	2,726	4,115	+51
Calf	97	120	+24	952	1,053	+11
Kip	44	37	-16	336	250	-26
Sheep and lamb	165	242	+47	1,286	1,350	+5

1/ Includes inedible tallow, oleic acid or red oil, stearic acid, and other inedible animal greases, fats, and oils. 2/ Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

U.S. Department of Commerce.

January-August 1960 shipments of lard to the United Kingdom totaled 249.1 million pounds, up 66 percent from a year earlier. August exports were 23.1 million pounds, up 14 percent from 1959. Shipments to Cuba in the first 8 months of 1960 totaled 140 million pounds, down 4 percent from a year earlier. August 1960 exports, at 21.9 million pounds, were up 144 percent from August 1959 and were the largest for any month since February 1959.

U.S. exports of tallows and greases appear to be leveling off at record high levels. Chief export destinations for inedible tallows and greases in January-August 1960 and percentage of total were: Japan, 20.7; Italy, 17.6; Netherlands, 17.2; West Germany, 5.3; Egypt, 3.3; and Poland, 3.2.

The sharp drop in exports of "other canned meats" this year resulted from smaller exports to Canada.

CANADIAN MEAT EXPORTS TO U.S. FALL SHARPLY

Canadian exports of meats to the United States during January 1-October 8, 1960 dropped 18 percent from a year earlier, according to inspection reports of the Canadian Department of Agriculture. Exports of beef and veal declined 24 percent and pork dropped 18 percent.

Relatively high prices for meat in Canada caused the sharp reductions.

MEAT PRODUCTS: Canadian exports to the United States January 1 to October 8, 1960 and corresponding period a year earlier

Item	Jan. 1 - Oct. 8		Percent change
	1959	1960	1959-1960
	Mil. lb.	Mil. lb.	Percent
Beef and veal	17.6	13.4	-24
Bone-in beef	4.0	2.7	-34
Boneless beef	9.3	8.1	-13
Cured beef	1/	.1	---
Veal	4.3	2.5	-42
Mutton and lamb	.5	1/	---
Pork	42.8	35.0	-18
Fresh and frozen	33.9	28.0	-17
Cured and smoked	5.5	4.7	-14
Canned hams and shoulders	3.4	2.3	-32
Other canned meats	.5	1.1	+120
Other meat products	13.0	11.1	-15
Total	74.4	60.6	-18

1/ Less than 50,000 pounds.

Canadian Department of Agriculture inspection reports.

PARAGUAY SEEKING LOAN FOR LIVESTOCK DEVELOPMENT

The Paraguayan government is reported to be seeking a loan from the International Bank for Reconstruction and Development to improve its livestock and meat industries. A bank representative has suggested the decontrol of meat prices and a reorganization of COPACAR, the government agency that has monopoly control over the slaughter industry in the country.

Export slaughter houses killed 145,000 to 150,000 head of cattle in Paraguay during the season ending August 1960 compared with 195,000 in the previous year.

TURKEY MAKES LARGE EARLY SULTANA SALES

Turkey has again this season made large sultana export sales early in the season. Through September 30, 1960, registered export licenses for sultanas totaled 36,915 short tons. In the corresponding period in 1959, registered export licenses amounted to 42,726 tons. Major 1960 sales by that date were made to the following countries compared with 1959 sales in parentheses: Belgium, 1,123 tons (2,101); France 2,220 tons (2,089); West Germany, 7,497 tons (7,021); Italy 6,227 tons (7,915); Netherlands 2,655 tons (5,359); United Kingdom 11,032 tons (9,234).

CANADIAN WHEAT AND FLOUR EXPORTS INCREASE IN AUGUST

Canadian wheat and flour exports during August 1960 totaled 27 million bushels, the largest amount exported during a single month since November 1959, when 33 million bushels were shipped. Total exports during July-August were 45.1 million bushels, compared with 44.2 million during the same months a year earlier.

Wheat exports during July-August were 38.7 million bushels, compared with 37.6 million last season. Exports to Europe were up more than 3 million bushels from the 21 million in July-August 1959. Countries taking more wheat during 1960 were Norway, Belgium-Luxembourg, France, West Germany, and the United Kingdom. Larger shipments to Japan were partially offset by reductions to other countries in Asia. More wheat was shipped to Africa, but less to the Western Hemisphere.

There was a slight decrease in flour exports during July-August (6.4 million bushels, compared with 6.6 million last season). Exports to Chile and the Philippines were up slightly, but were down to most of the other countries. The United Kingdom was the major market, but took 600,000 bushels less than during July-August 1959.

Total exports during the first quarter of 1960-61 are expected to be approximately 71 million bushels, about the same as during July-September 1959. During the first quarter of the Canadian marketing year, total exports are likely to be about 2 million bushels more than the 76 million bushels exported during August-October last year.

WHEAT AND FLOUR: Canadian exports by country of destination, July-August 1959 and July-August 1959-60

Country of destination	July-August 1959			July-August 1960		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Western Hemisphere:						
British West Indies	1	769	770	--	534	534
Central America	53	311	364	16	317	333
Chile	--	17	17	--	520	520
Ecuador	289	--	289	392	5	397
Peru	456	2	458	--	1	1
Venezuela	643	1	644	821	--	821
Others	883	513	1,396	233	807	1,040
Total	2,325	1,613	3,938	1,462	2,184	3,646
Europe:						
Belgium-Luxembourg	1,600	--	1,600	2,146	26	2,172
France	18	--	18	992	--	992
Germany, West	3,180	--	3,180	3,409	--	3,409
Netherlands	1,986	2	1,988	529	1	530
Norway	361	--	361	1,192	--	1,192
Switzerland	1,671	--	1,671	1,088	--	1,088
United Kingdom	11,549	2,462	14,011	12,411	1,859	14,270
Others	660	24	684	2,390	51	2,441
Total	21,025	2,488	23,513	24,157	1,937	26,094
Asia:						
India	1,823	--	1,823	--	--	--
Israel	517	--	517	513	69	582
Japan	8,675	201	8,876	10,828	236	11,064
Philippines	217	486	703	131	776	907
Others	1,812	1,131	2,943	169	730	899
Total	13,044	1,818	14,862	11,641	1,811	13,452
Africa:						
Union of South Africa	849	--	849	1,065	--	1,065
Others	61	699	760	74	476	550
Total	910	699	1,609	1,139	476	1,615
Oceania	--	2	2	--	6	6
Unspecified 2/	333	--	333	313	--	313
World total	37,637	6,620	44,257	38,712	6,414	45,126

1/ In grain equivalent. 2/ Includes seed wheat.

Board of Grain Commissioners for Canada

AUSTRALIA INCREASES IMPORTS OF U.S. GRASS AND LEGUME SEEDS

Lifting of import restrictions and the expansion of improved pasture work in Australia increased the latter's imports of grass and legume seeds substantially in 1959-60. Although New Zealand remained the principal supplier, the United States benefited considerably by the easing of restrictions.

Australian exports of grass and legume seeds were generally lower. The United States took smaller quantities of subterranean clover and Dallis grass seed, but larger quantities of "other" clover seeds.

The outlook for the coming year is for less imports of seed although the United States may capture a larger share of the market. Price and quality will be the dominant factors in expanding U.S. sales to Australia.

AUSTRALIA: Grass and legume seed imports and exports, and U.S. share 1958-59 and 1950-60

Kind of seed	Imports				Exports			
	Total	U.S. origin	Total	U.S. origin	Total	U. S. destin-ation	Total	U.S. destin-ation
	1958-59		1959-60		1958-59		1959-60	
	- - - - 1,000 pounds - - - -							
Sub-clover...	---	---	---	---	919	301	805	236
Other clover.	1,048	139	1,699	298	113	11	80	16
Paspalum 1/..	---	---	---	---	915	789	812	734
Ryegrasses...	2,474	4	864	143	99	---	11	---
Other grass & legumes..	1,480	104	1,777	372	6,127	99	6,814	82
Total......	5,002	247	7,340	813	8,173	1,200	8,522	1,068

1/ Including Dallis grass.

CANADIAN WHEAT BOARD OPENS OFFICE IN TOKYO

The Canadian Wheat Board recently opened an office in Tokyo to facilitate exportation of Canada wheat to Japan. Mr. A. W. Cordon, who has been associated with the Board for 16 years and most recently was a senior officer in its sales department, will have charge of the office. Canadian farmers sell all of their commercial supplies of wheat to the Board, which exports its purchases through private traders who operate as agents.

In general, the opening of this office recognizes Japan as an important market for Canadian wheat. In particular, its purpose is to strengthen the relationship between the Board and the Japanese Government Food Agency, which controls wheat importation, and the Japanese grain importers, millers and bakers.

Japan is now Canada's second most import export market for wheat. The opening of the office in Tokyo will, however, not entail any change in the trading procedures between the 2 countries.

URUGUAY'S FLAXSEED PRODUCTION
EXPECTED TO BE UP SHARPLY

Uruguay's 1960-61 flaxseed acreage is estimated unofficially at around 310,000 acres or one-fourth larger than the 242,500 acres in 1959-60. It is too early to specifically forecast production as the crop will not be harvested for over 2 more months and seed was still being planted as of early October. However, yields are expected to be up from last year when production totaled 1,979,000 bushels.

Uruguay exported no flaxseed in 1959 and there were no exports during the first 8 months of this year. Exports of linseed oil during January-August totaled 16,534 short tons. The trade estimates that by the end of 1960 oil exports may total 18,700 tons. In 1959 Uruguay exported 17,482 tons of linseed oil.

CANADIAN COTTON CONSUMPTION
UP IN SEPTEMBER

Canadian cotton consumption, based on the number of bales opened by mills, was 29,000 bales (500 pounds gross) in September. This was an increase of 4 percent from August consumption of 28,000 bales, although 3 percent below the 30,000 bales used in September 1959.

Consumption during the first 2 months (August-September) of the current season totaled 57,000 bales, compared with 58,000 in the corresponding 1959-60 period.

PAKISTAN OBTAINS CREDIT FOR
COTTON PROCESSING EQUIPMENT

On October 11, the Export-Import Bank of Washington announced the authorization of a $6.4 million loan to Pakistan for the purchase of cotton processing equipment of U. S. manufacture. This equipment, calculated to meet Pakistan's current needs, is comprised of precleaning elements, gins and equipment, and delinting machinery. Complete delivery of the equipment is expected in late 1962.

EGYPTIAN COTTON EXPORTS HIGHEST IN 26 YEARS

Exports of cotton from Egypt during the 1959-60 season (August-July) totaled 1,837,000 bales (500 pounds gross). This was 33 percent above the 1,380,000 bales exported in the previous season, and the highest since 1933-34 when 1,867,000 bales were exported.

Exports of all varieties except Ashmouni increased during 1959-60, compared with 1958-59, with the largest gains in Menoufi and Karnak. In December 1959, Egypt banned exports of lower grades of Ashmouni to assure adequate supplies for domestic use.

The Soviet Union continued to be the largest buyer of Egyptian cotton, with Communist China second. However, the proportion of Egypt's cotton exported to communist countries decreased from 66 percent (908,000 bales) of total exports in 1958-59 to 56 percent (1,030,000 bales) in 1959-60.

Quantities shipped to principal destinations last season, with 1958-59 figures in parentheses, were: U.S.S.R. 345,000 bales (430,000); Communist China 252,000 (121,000); Czechoslovakia 177,000 (174,000); India 167,000 (54,000); West Germany 112,000 (38,000); United States 97,000 (9,000); Poland 83,000 (61,000); Italy 81,000 (38,000); Japan 80,000 (56,000); East Germany 79,000 (53,000); France 62,000 (34,000); Yugoslavia 54,000 (31,000); United Kingdom 44,000 (81,000); Rumania 37,000 (27,000); Hungary 36,000 (27,000); Switzerland 32,000 (19,000); Austria 23,000 (20,000); and Bulgaria 21,000 (15,000).

In an effort to prevent reexports this season, the Egyptian Government announced plans to issue export licenses to Egyptian exporters only up to the known capacity of Communist countries to absorb cotton for their own needs. Also, European Common Market countries will be requested to buy cotton directly from Egypt. Export taxes are no longer in effect on any variety except Ashmouni, on which the export duty remains unchanged from 1959-60 at 2.4 U.S. cents per pound. Ashmouni is in short supply and will be subject in 1960-61 to export quotas as supply permits.

Prices of Egyptian cotton on world markets strengthened in the first half of last season, as increased demand resulted in heavy buying from both Communist and non-Communist areas. However, prices have declined around 6 to 7 cents a pound since February. Quotations of October 20 for Karnak FG and Menoufi FG, c.i.f. Liverpool, were 48.85 cents a pound, each, compared with 54.40 and 55.58 cents respectively on February 11.

The first official government estimate of Egypt's 1960-61 cotton crop was placed at 2,262,000 bales (Foreign Crops and Markets, October 17, 1960). This is 8 percent above the 2,100,000 bales harvested last season, and is the largest Egyptian cotton crop on record, except for the 1937-38 crop of 2,281,000 bales.

Egyptian cotton consumption in 1959-60 continued the uptrend of recent years, totaling about 550,000 bales, up 4 percent from the 530,000 bales used in 1958-59. Although use of all varieties except Giza 30 increased in 1959-60, Ashmouni still accounted for over two-thirds of total consumption.

End-season cotton stocks on July 31 amounted to about 435,000 bales--down 40 percent from the relatively high level of 725,000 bales held a year earlier.

CANADIAN SOYBEAN MEAL AND OIL EXPORTS RISE: SOYBEANS, SOYBEAN OIL, COTTONSEED OIL IMPORTS ALSO UP

Canadian exports of soybean oil and soybean meal, in the marketing year beginning October 1, 1959 to August 31, 1960, were 20 and 44 percent, respectively, above the same period last year. Rapeseed, rapeseed oil and soybean exports were down. However, because of Canada's high rapeseed production (see Foreign Crops and Markets, October 10, 1960, page 18) estimated at 278,500 short tons in 1960, the trade forecasts that a record of about 250,000 short tons will be exported during 1960-61. France and Italy are expected to import sizable quantities.

Canadian imports of soybean and cottonseed oil in the first 9 months, October-May, 1959-60 were well above the same period last year. Soybean imports appeared to be at a record rate for 1959-60, but imports of soybean oilcake and meal, peanut oil, coconut oil and palm kernel oil were down.

(See table on opposite page)

CANADIAN FLAXSEED EXPORTS FORECAST UP IN 1960-61

Canada's total supply of flaxseed for 1960-61 is about 30 million bushels, 6 million more than last year and the highest since 1956-57. Production also is the largest since the 1956 crop, reflecting increased acreage over the two pervious years and a well above average yield. The 1960-61 forecast is for higher Canadian flaxseed exports as well as an increase in stocks and domestic use.

(Continued on page 20)

CANADA: Major edible oilseeds and oils and oilcake and meal, exports and imports, marketing years beginning October 1, 1956-58 and October-August 1958-59 and 1959-60 (exports) and October-May 1958-59 and 1959-60 (imports)

Exports	Unit	1956-57	1957-58	1958-59	Oct. - Aug. 1958-59	Oct. - Aug. 1959-60
Soybeans	1,000 bushels	1,489	2,256	2,638	2,537	2,394
Rapeseed	1,000 short tons	95	157	144	142	73
Soybean oilcake and meal	1,000 short tons	257	113	153	135	194
Soybean oil	1,000 pounds	43,804	31,929	21,887	20,606	24,740
Rapeseed oil	1,000 pounds	8,614	2,597	164	164	14

Imports	Unit	1956-57	1957-58	1958-59	Oct. - May 1958-59	Oct. - May 1959-60
Soybeans	1,000 bushels	10,924	10,589	12,710	8,267	10,004
Soybean oilcake and meal	1,000 short tons	209	128	238	163	114
Vegetable oils:						
Soybean oil	1,000 pounds	24,013	27,618	29,242	17,607	23,944
Cottonseed oil	1,000 pounds	29,173	27,174	30,994	19,972	35,107
Peanut oil	1,000 pounds	4,051	12,957	18,220	13,230	4,776
Coconut oil	1,000 pounds	29,659	49,466	40,160	25,182	22,465
Palm and palm kernel oil	1,000 pounds	35,937	44,862	31,351	25,155	14,400
Total vegetable oils	1,000 pounds	122,833	162,077	149,967	101,146	100,692

CANADIAN FLAXSEED-(Continued from Page 18)

CANADA: Flaxseed supply and distribution, year beginning August 1957-58 to 1959-60 and forecast for 1960-61

Item	1957-58	1958-59	1959-60	Forecast 1960-61
	Million bushels	Million bushels	Million bushels	Million bushels
Stock, August 1	7.6	5.7	6.5	4.7
Production	10.2	22.8	17.7	1/ 25.5
Total supply	26.8	28.5	24.2	30.2
Distribution:				
Exports of seed	14.0	13.7	13.0	)
Exports of oil on oilseed basis	.7	.4	.2	)16.0
Domestic use	6.4	7.9	6.3	)14.0
Stocks, July 31	5.7	6.5	4.7	)
Total distribution	26.8	28.5	24.2	30.0

1/ Preliminary.